



TALKING POINTS: Minimum Wage Increase

OUR PRINCIPLE: *Republicans believe government should help both the workers who depend on the minimum wage and the job-creators who pay the minimum wage.*

Any federally-mandated increase in the minimum wage should be accompanied by relief that protects the ability of small businesses to stay competitive and create jobs for working families.

Republican economic policies are responsible for facilitating today's strong economy. More than 7 million new jobs have been added since August 2003 – more new jobs than all the other major industrialized countries combined. The U.S. has posted job gains for 39 straight months; today's 4.5 percent unemployment rate is down .5 percent from a year ago.

The unbalanced Democrat plan increases unemployment. Independent studies confirm that the unbalanced Democrat proposal to raise the minimum wage, without including a component that simultaneously reduces the burden on small businesses, could put as many as one million Americans out of work.

- 20 percent (1.6 million) of the nation's minimum wage workforce could lose their jobs under the unbalanced Democrat plan. *(Hoover Institution, House Budget Committee)*
- As many as one million restaurant industry employees working for low pay could lose their jobs. *(Federal Reserve, House Budget Committee)*

The Democrat plan is an enormous unfunded mandate on job creators. The CBO estimates the increase would impose a \$5-\$7 billion unfunded mandate on small businesses. *(House Budget Committee)*

The Democrat plan is a burdensome unfunded mandate on states. The CBO estimates the increase would impose a \$300-\$400 million unfunded mandate on state and local governments. *(House Budget Committee)*

Bipartisan support exists for a balanced plan to raise minimum wage. Last year, 34 Democrats joined with 196 House Republicans in supporting a balanced plan to increase the federal minimum wage to \$7.25. The wage-raising, job-saving bill also extended the R&D tax credit for innovating firms and reduced death taxes for family farms and small businesses that create jobs. *(Roll Call Vote# 425)*